

Chairman Vap called the regularly scheduled meeting to order at 10:05 a.m. with Commissioners Boyle, Lowell Johnson, Rod Johnson, Landis and Vap present.

GENERAL ADMINISTRATION

Notice was duly published April 12, 2004, on Page 8 of The Daily Record that the regular public meeting of the Commissioners of the Nebraska Public Service Commission would be held April 14, 2004, at 10:00 a.m. in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln.

Attention was called to the following proceedings:

Wednesday, April 14, 2004:

C-3012      Commission Hearing Room, Lincoln. Oral Argument  
2:00      The Commission, on its own motion, seeking to conduct a critical cost analysis for Aliant Communications Co., d/b/a ALLTEL, as a result of the Nebraska Technology & Telecommunications, Inc. and ALLTEL arbitration conducted in Application C-2648. Commissioner Landis chairing.

MR-1009/   Video Hearing. Commission Library, Lincoln, and Nebraska  
PI-70      State Office Building, Room 207, 1313 Farnam Street, Omaha.  
3:00      The Commission, on its own motion, initiating an investigation on range uniformity in the Official Intracity Household Goods Tariff 22, and to develop procedures for efficiently processing household goods mover tariff amendments. Commissioner Boyle chairing.

Thursday, April 22, 2004:

2:00      Commission Library, Lincoln.  
NUSF Advisory Board Meeting

COMMUNICATIONS DEPARTMENT

FC-1318      In the Matter of All American Insurance Inc., Lincoln, versus Alltel Communications, alleging a billing error: Gene Hand informed the Commission that a formal complaint had been filed. The answer date is April 26, 2004.

C-2932      In the Matter of NPCR, Inc., d/b/a Nextel Partners, Eden Prairie, Minnesota, seeking designation as an Eligible Telecommunications Carrier that may receive universal service support: Gene Hand informed the Commission that a request had been received from NPCR, Inc. to withdraw their motion for oral argument and that the Commission proceed to rule on Nextel Partners' motion for rehearing on the basis of the pleadings and the record of the Commission. The oral argument previously scheduled for April 14, 2004, was cancelled.

COMMUNICATIONS DEPARTMENT (Cont.)

C-3132- In the Matter of Arapahoe Telephone Company; Benkelman  
C-3143 & Telephone Company, Inc.; Cozad Telephone Company;  
C-3147 Curtis Telephone Company; Diller Telephone Company; Glen-  
wood Telephone Company; Hartman Telephone Company;  
Keystone-Arthur Telephone Company; Mainstay Communications, f/k/a  
Henderson Cooperative Telephone Company; Plainview Telephone Company;  
Southeast Nebraska Telephone Company; Wauneta Telephone Company; and  
Hooper Telephone Company, d/b/a WestTel Systems, seeking suspension or  
modification of the Federal Communications Commission requirement to  
implement Wireline-Wireless Number Portability pursuant to 47 U.S.C.  
Section 251(f)(2): Gene Hand advised the Commission that a Motion for  
Protective Order had been received from the above-listed companies.  
Discussion was had. Comments were made by attorneys Tim Clare and  
Steve Seglin describing an agreement they reached regarding discovery.  
Mr. Clare stated the motion for protective order would be withdrawn  
allowing the matter to proceed as scheduled.

C-3145 In the Matter of Southwestern Bell Communications Services,  
d/b/a SBC Long Distance, Pleasanton, California, seeking  
authority to operate and offer local exchange and exchange access  
telecommunications services throughout the State of Nebraska: Gene  
Hand discussed a stipulation in this matter that may result in  
cancellation of the hearing scheduled for May 10, 2004.

C-3149 In the Matter of ACN Communication Services, Inc., Farming-  
ton Hills, Michigan, seeking authority to provide competi-  
tive facilities-based local exchange services within the State of  
Nebraska: Motion made by Commissioner Anne Boyle, seconded by Commis-  
sioner Rod Johnson to enter an order granting the application. Motion  
passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson,  
Frank Landis, Jerry Vap voting AYE.

C-3152 In the Matter of Glyphics Communications, Inc., Draper,  
Utah, seeking to withdraw its authority to operate as a  
resale carrier of intrastate interLATA and intraLATA telecommunica-  
tions services within the state of Nebraska, previously granted in  
C-1985: Motion made by Commissioner Lowell Johnson, seconded by  
Commissioner Anne Boyle to enter an order granting the application.  
Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod  
Johnson, Frank Landis, Jerry Vap voting AYE.

C-3153 In the Matter of Dalton Telephone Company, Inc., Clear-  
water, Kansas, seeking a suspension or modification of the  
Federal Communications Commission requirement to implement Wireline-  
Wireless Number Portability Pursuant to 47 U.S.C. Section 251(f)(2):  
Motion made by Commissioner Lowell Johnson, seconded by Commissioner  
Anne Boyle to enter an order granting interim relief. Motion passed  
with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank  
Landis, Jerry Vap voting AYE.

COMMUNICATIONS DEPARTMENT (Cont.)

C-3154 In the Matter of Elsie Communications, Inc., Clearwater, Kansas, seeking a suspension or modification of the Federal Communications Commission Requirement to Implement Wireline-Wireless Number Portability Pursuant to 47 U.S.C. Section 251(f)(2): Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle to enter an order granting interim relief. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

C-3155 In the Matter of Cable & Wireless USA, Inc., Vienna, Virginia, seeking to withdraw its authority to provide intrastate intraLATA interexchange telecommunication services in Nebraska: Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

C-3156 In the Matter of Comtech 21, LLC, Wallingford, Connecticut, seeking a certificate of authority to provide resold and facilities-based/UNE-P local exchange telecommunications services within the state of Nebraska: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

E-1941 In the Matter of the City of Minden, Minden, seeking authority to construct, operate and maintain an electric transmission line in Kearney County: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Frank Landis to enter an order dismissing the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

Gene Hand distributed copies of an article addressing Sprint's Centrex rate increase in Nebraska.

A copy of an April 7, 2004, letter expressing appreciation for the Equipment Distribution Program was provided to Commissioners.

Gene Hand discussed the recent Federal Communications Commission decision to allow Incumbant Local Exchange Carriers (ILEC's) to extend the date by which they must recover costs for implementing Local Number Portability (LNP).

UNIVERSAL SERVICE FUND

NUSF-37.19 In the Matter of Jeffrey L. Pursley, Director, Nebraska Universal Service Fund Department, Nebraska Public Service Commission, Complainant, vs. Z-Tel Communications, Inc., Respondent: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle to dismiss the complaint. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

NUSF-37.24 In the Matter of Jeffrey L. Pursley, Director, Nebraska Universal Service Fund Department, Nebraska Public Service Commission, Complainant, vs. GE Business Productivity Solutions, Respondent: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Rod Johnson to dismiss the complaint. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

Jeff Pursley reported on Late-Filed Carrier Remittances. Motion made by Commissioner Frank Landis, seconded by Commissioner Anne Boyle to file a complaint against Public Communications Services, Inc. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

NUSF-38 In the Matter of Jeffrey L. Pursley, Director, Nebraska DC-65 Universal Service Fund, and Kara J. Thielen, Director, 911-08 Wireless E-911 Department, Complainants, vs. TracFone Wireless, Inc., Miami, Florida, Defendant: Jeff Pursley informed the Commission that a set of data requests will be forwarded to TracFone Wireless. Commissioner Vap will preside as Hearing Officer.

Jeff Pursley distributed a Washington Post article regarding the receipt of outside bonuses by National Exchange Carrier Association's (NECA) staff. The staff members involved have been placed on administrative leave while an independent law firm has been hired to handle the investigation.

Jeff Pursley reported that the previous backlog of Nebraska Telephone Assistance Program (NTAP) applications have been brought current.

E911 DEPARTMENT

Kara Thielen discussed Phase II issues and the time line for RFP, costs and rollout plan overview. There was also a report and discussion about the known estimated costs of Phase II deployment. Commissioner Vap asked about the number of counties prepared for Phase II. Ms. Thielen responded that in the counties that are currently Phase I, there is some work with each one to prepare for Phase II deployment. Commissioner Vap inquired about the time line in which

E-911 DEPARTMENT (Cont.)

we'd like the state to be Phase I enabled. Ms. Thielen responded as soon as we could, but that time line is out of our control. It is a county level decision to implement E911 land line. Commissioner Vap inquired as to the number of Phase II ready phones. Ms. Thielen said this information is not available. Commissioner Vap inquired about whether companies other than AT&T are going with the triangulation system. Ms. Thielen responded that all other carriers plan to utilize GPS.

NATURAL GAS DEPARTMENT

NG-0001 In the Matter of Aquila, Inc., d/b/a Aquila Networks  
NG-0002 (Aquila), Omaha, seeking a general rate increase for  
NG-0003 Aquila's Rate Area One, Rate Area Two and Rate Area Three:  
Motion made by Commissioner Frank Landis, seconded by  
Commissioner Lowell Johnson to enter assessment orders for GDS-007 and  
HSD-008. Motion passed with Commissioners Anne Boyle, Lowell Johnson,  
Rod Johnson, Frank Landis, Jerry Vap voting AYE.

NG-0013 In the Matter of the Commission, on its own motion, seeking  
to evaluate and establish, on a quarterly basis, an assess-  
ment for jurisdictional utilities pursuant to the State Natural Gas  
Regulation Act [LB 790, 2003]: Motion made by Commissioner Rod John-  
son, seconded by Commissioner Frank Landis to enter an order for the  
2003 third quarter assessment. Motion passed with Commissioners Anne  
Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting  
AYE.

NG-0018 In the Matter of U.S. Energy Services, Inc., Wayzata,  
Minnesota, seeking authority as a Competitive Natural Gas  
Provider in the state of Nebraska: Motion made by Commissioner Anne  
Boyle, seconded by Commissioner Rod Johnson to enter an order granting  
the requested authority. Motion passed with Commissioners Anne Boyle,  
Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

NG-0011/ In the Matter of the Commission, on its own motion, seeking  
PI-74 to conduct an investigation for the purpose of monitoring  
NorthWestern Energy's financial condition and ability to  
continue providing adequate and reliable service to its customers:  
Laura Demman provided an update on the status of the NorthWestern  
bankruptcy proceeding. Ms. Demman reported that NorthWestern's Plan  
of Reorganization does not include rate increases for its customers.  
Commissioner Landis inquired as to whether the PSC should put out a  
news release for the communities affected. Ms. Demman said she would  
coordinate issuing a press release.

LEGISLATIVE REPORT

Andy Pollock reported on the status of pending legislation.

GRAIN WAREHOUSE DEPARTMENT

In the Matter of Schedule "A" and "E" Rates and Charges: A hearing was set for May 26, 2004, at 2:00 p.m. in the Commission Hearing Room, Lincoln.

Motion made by Commissioner Frank Landis, seconded by Commissioner Lowell Johnson to enter an order to grant a Grain Dealer License to the following applicant, subject to the fulfillment of all statutory requirements for the license period ending June 30, 2004. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

SECURITY

GD-1599      Alvo Grain and Feed, Inc., Alvo      \$ 96,000

GD-2822      In the Matter of Farmland Mutual Insurance Company seeking cancellation of its Continuous Grain Dealer Bond No. 100255A in the amount of \$150,000.00, issued on behalf of All Points Cooperative, Lexington: Application was granted effective April 1, 2004.

John Fecht updated the Commission on the status of criminal background checks and license issuance and reported that we are still waiting for 13 criminal background reports.

TRANSPORTATION DEPARTMENT

B-890      In the Matter of Wade Bus Lines, Inc., Ogallala, seeking revocation and cancellation of the common carrier authority in Certificate Number B-890: Motion made by Commissioner Rod Johnson, seconded by Commissioner Anne Boyle to enter an order to grant the revocation and revoke the authority in B-890. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

MCC-3153      In the Matter of Andy S. Pollock, Director, Motor Transportation Department, Nebraska Public Service Commission, Lincoln, Complainant, vs. Fantasy Limousine, N.E. Nebraska Daycare, R & J Limo Services, Inc., VIP Limo Service (Crofton), Wade Bus Lines, All-Star Moving & Storage, Benson Transfer & Storage Co., Mike's Moving, Inc., Movers Not Shakers, and Murphy Moving: Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson to enter an order to dismiss the application in part and sustain it in part. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

TRANSPORTATION DEPARTMENT (Cont.)

B-1623        In the Matter of First Holiday Tour & Travel, Inc., dba Doc Holiday Express, Grand Island, seeking authority as a common carrier in Nebraska intrastate commerce by bus in charter service over irregular routes between all points in Nebraska: Motion made by Commissioner Anne Boyle, seconded by Commissioner Rod Johnson to enter a notice of pending dismissal. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

B-1557,       In the Matter of Hope Transportation, Inc., Omaha, seeking Supp. 1       to extend its authority as a common carrier of passengers by van in open class service between points in Cass, Otoe, Lancaster counties and between points in said counties on the one hand, and, on the other hand, points in Nebraska over irregular routes. To include the transportation of Health and Human Services and its subcontractors thereof. RESTRICTION: The transportation of railroad train crews and their baggage is not authorized: A hearing was set for May 11, 2004, at 3:00 p.m. in the Commission Hearing Room, Lincoln.

Mark Breiner updated the Commission on pending dockets.

Rate Division

LR-249        In the Matter of R & F Hobbies, Inc., dba Aquila Limousine Service, Ravenna, seeking authority to amend its limousine rates for its use: Motion made by Commissioner Frank Landis, seconded by Commissioner Lowell Johnson to enter an order to grant the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

MR-930        In the Matter of Movers and Warehouse Division, Nebraska Motor Carriers Association, Lincoln, seeking authority to establish a fuel surcharge in Nebraska Official Household Goods Tariff 7-F: General discussion was held concerning applicability of taxi surcharge. The fuel surcharge was increased to 22 cents per mile and the taxi surcharge retained at 35 cents per trip.

Rule and       In the Matter of the Commission, on its own motion, seeking Regulation to amend Chapter 3, Motor Transportation Rules and Regulations, to rewrite the chapter in its entirety and format #153       per Secretary of State requirements: A motion was discussed by Visinet concerning late filed comments. No action was taken.

GENERAL ADMINISTRATION

The Commission approved the following Commission invoices:  
Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Jerry Vap voting AYE, Commissioner Frank Landis Absent Not Voting.

DAS - Materiel - Office Supplies	\$ 699.11
ASAP Software	3,662.63
Commercial Computer Systems, Inc.	680.00
Dell	2,191.77
Dell	6,645.10
ESRI	1,224.09
Hewlett - Packard Co.	1,247.00
Robert Bowman	773.68
Laura Demman	661.36
Fred Massing	984.78

NEBRASKA EQUIPMENT DISTRIBUTION PROGRAM

Sherard Hearing Aid Center	669.00
Bosler Hearing Aid Center	338.28
Aksarben TDD	2,255.55
Associated Hearing Health Care	432.75
Audiology Services and HAC	159.95
Hearing Aid Specialists Inc	835.00
Carl A. Johnson	213.65
Johnson Hearing Aid Service	395.27
K-D Communications	1,808.70
Professional Hearing Aid Service	1,609.55
Teltex	665.20

Commissioner Landis left the Commission Hearing Room.

The Commission approved minutes for the month of March, 2004. Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Jerry Vap voting AYE, Commissioner Frank Landis Absent Not Voting.

Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle to go into closed session to discuss personnel and litigation matters. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Jerry Vap voting AYE, Commissioner Frank Landis Absent Not Voting. The Commission went into closed session at 11:00 a.m. Commissioner Landis returned to the Commission Hearing Room.

Motion made by Commissioner Rod Johnson, seconded by Commissioner Anne Boyle to return to open session. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE. The Commission returned to open session at 11:35 a.m.



GENERAL ADMINISTRATION (Cont.)

Motion made by Commissioner Frank Landis, seconded by Commissioner Anne Boyle to open the E-911 Coordinator position in the Wireless E-911 Department. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

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The meeting adjourned at 11:40 a.m. with Commissioners Boyle, Lowell Johnson, Rod Johnson, Landis and Vap present. The next regularly scheduled meeting will be held on April 27, 2004, at 10:00 a.m. with an agenda to be available in the Commission Hearing Room, Lincoln, at 10:00 a.m. on April 26, 2004.

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Chairman

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Executive Director